

ROUTING AND TRANSMITTAL SLIP		Date
		6 February 1981
TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. <input type="text"/> EO/DDA		
2. <input type="text"/>		
3. <input type="text"/>		
4. <input type="text"/>		
5. <input type="text"/>		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

Marie:

Attached is a copy of the package sent to Mr. Casey for his approval to produce "From the Director".



*Draft not yet approved by D.C.T.;
Holding - 2/11/81 - mfk*

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)

Room No.—Bldg.

Phone No.

06 FEB 1981

MEMORANDUM FOR: Director of Central Intelligence
THROUGH: Deputy Director of Central Intelligence
FROM: Herbert E. Hetu
Director of Public Affairs
SUBJECT: Internal Communications

1. Action Requested: Approve printing and distribution of the attached message to employees (TAB A).

2. Background: Admiral Turner used a form of communication to employees called "Notes from the Director", designed to provide the DCI's special views on matters not otherwise covered in administrative bulletins or notices (sample at TAB B). These "Notes" were published only as needed, were kept unclassified, and were given wide distribution among employees both here and overseas. Public Affairs has had the coordinating responsibility.

This kind of internal communication fills a real need and it is recommended you continue the program, starting with a reprint of your 3 February address to employees. In order to provide your own identification to it, it is also recommended that a new title and logo be established, as suggested on the mock-up opposite this memo or in any format you desire.

3. Recommendation: Approve TAB A for immediate printing.

[Redacted Signature Box]

fn Herbert E. Hetu ✓

Attachments: a/s

APPROVE:

Director of Central Intelligence

Date

DISAPPROVE:

Director of Central Intelligence

Date

STAT

I was pleased ^{to have} / the chance to talk to some of you in the Headquarters Auditorium on February 3rd. For the many who were unable to attend, my remarks are reprinted below.

I am very pleased indeed to be here as the Director of Central Intelligence and to have the opportunity to meet so many of you in this way.

This is my fourth day on the job but I have been in and out for a few weeks. Admiral Turner and Frank Carlucci, as well as members of the senior staff, have been very generous in helping me learn about the Agency and its work, and although I am not yet able to find my way around the building, I think I have substantially found my way around the organization chart, which is a very formidable thing.

I came here with a high respect for this Agency and for the calibre and professionalism of its staff. What I have seen in the past few days has strengthened that view. I bring to this job a long-standing dedication to and belief in the purpose for which you and the Agency work.

My earliest public service in Washington was helping General Donovan draft papers to President Roosevelt and the Joint Chiefs, explaining why OSS needed military slots to develop paramilitary capabilities and operational groups, which the Pentagon liked to call "Donovan's Private Army" as they tried to take it over. As I come ^{faced} here/with personnel freezes I have a sense of deja vu.

When I went to London to set up a secretariat for David Bruce, then Commander of the OSS Detachment in General Eisenhower's Command, one of my duties was to serve as secretary of the Committee charged with studying the organization of the British and other Allied intelligence agencies, in order to develop recommendations on how a permanent peacetime central intelligence service might be established in the United States. That was something we had never had before. Out of that work I got a trip back home to help General Donovan prepare a memorandum to President Roosevelt and the Joint Chiefs of Staff which urged the creation of a central intelligence service. So in a sense I was there at the beginning. Nobody saw me, but I was there.

While in the European Theater I worked closely and formed life-long friendships with Bill Quinn, Director of the Strategic Services Unit after World War II, and Allen Dulles, Dick Helms, and Bill Colby, the latter of whom all came into the role I have now assumed. So that means quite a lot to me, and I am particularly pleased and dedicated to be here to work with you into the future. I carry a vivid recollection of Dick Helms saying on one occasion in the late 60's, before he became DCI, that he had remained in the Agency for over twenty years and had resisted offers of more money in the private sector because his work in this building reminded him daily of how "beleagured" our country is in the world. The word "beleagured" made a very deep impression on me. I understand it to mean surrounded by danger. I'm always reminded of the lifetime career and the dedication to country which Dick Helms conveyed on that occasion in that expression and in

his thirty years of service to intelligence. I have a comparable admiration for those of you who are embarked on, and are living, an intelligence career.

Your work is even more important today. If Dick Helms had to use that unusual word "beleaguered" to describe the condition of the United States in the late 1960's, how would we describe our situation today? We face an adversary over which we no longer have military superiority; an adversary which has demonstrated a will to use military force outside of its borders and is constantly using skill and resourcefulness in providing weapons, training, organization, and leadership to proxy armies, to revolutionary groups, and to terrorists throughout Africa, Southeast Asia, and on our very doorstep in Central America. Our country depends heavily on your daily efforts if it is adequately to develop the means to cope with these threats. Let us together summon the will and find the resources to revive and apply the whole range of capabilities developed in this Agency over the years. The President and the Congress need such capabilities to cope with threats to our security and to protect our interests.

We face these intensified threats after having been severely kicked around in the political process and in the organs of public opinion. We must not let that deter us from the job we have to do.

The intelligence profession is one of the most honorable professions to which Americans can aspire. The President knows that and the American public understands that. Let us hold our heads high as we serve our country, as we call on young Americans to serve in intelligence work, and as we ask American scholars to serve by sharing

their insights and their scholarship with us as perhaps the largest scholarly community in the world, and as we prepare the analyses to develop foreign policy and defense strategy. Intelligence work is the one activity in the whole Government which -- whatever any of us might do, whatever service we perform -- has a direct impact on our ability to address the many concerns that may threaten the security of our country or our way of life. I feel that very deeply.

President Reagan has promised to strengthen intelligence where it needs to be strengthened. He has talked frequently about his admiration of and support for the CIA. He has given us a Deputy DCI, Admiral Inman, who will come here with rich experience and universal acclaim inside and outside the intelligence community. The President has signaled his intention to do what he can to support our work by affording me Cabinet rank and by giving Admiral Inman a fourth star, making him a full Admiral as he undertakes this new responsibility. I am confident you and I and Admiral Inman are ready to do what needs to be done.

As I stated in my confirmation hearings, this is not the time for reorganization or bureaucratic shakeup. Rather, it is a time to build on what we have, to sharpen and strengthen it to meet the new challenges we face. Much will depend on how we organize for that task. I am a great believer in the delegation of responsibility and commensurate authority. I like to give people running room and judge them by the results. I intend to give at least equal attention to my roles as Director of the Central Intelligence Agency and Director of Central Intelligence. One reason I am so pleased to have Admiral Inman here with me is that he is so superbly equipped--

by virtue of his experience as Director of the National Security Agency, Vice Director of the Defense Intelligence Agency, and Director of Naval Intelligence -- to take on some of the community role that consumed so much of the time of my two or three immediate predecessors. I would like, and intend, to take a special interest in strengthening and sharpening our HUMINT capabilities, our analytical and estimating work, and in seeing that the product -- the result of the common labor that we put forth here daily -- gets in the proper form needed, that it is understood and is acted upon. In a broad general way, that is how I see my job and how I now plan to approach it.

We have to face the fact that we take on this challenge in a period of financial stringency. We can't hide from that. There is a personnel freeze and budgets are and will be scrutinized very, very carefully. It will take time to balance the objective of strengthening our defense and intelligence capabilities and to mesh those factors with the financial and manpower requirements of the Administration's economic policy. The way for us to do that in my opinion is to do our share in tightening up wherever we can and, on the basis of that performance and at the appropriate time, ask for the resources needed to overcome the deficiencies arising out of earlier budget actions as well as for those needed to meet the needs of the future. There will be budgetary cutbacks and there will be budgetary increases, particularly in defense areas and other areas vital to our security. I intend to define overall needs with care and restraint, but I will not be bashful about asking for what is needed to meet those needs; that is what I would expect

you to do also. I am specifically interested in developing the resources needed to provide both the facilities and the incentives necessary to encourage the career-long building of analytical and other specialized skills. People should be able to dedicate their life-long efforts to building those essential talents without being pressured into doing administrative or managerial work simply to gain promotion.

I know that all of you are as anxious to constantly improve the Agency's capabilities and it's performance as I am. All of us have heard a variety of opinions about the quality of intelligence performance over recent years. You can take your pick of those opinions. Nevertheless, I do know that over it's history this Agency has developed the finest intelligence capability in the world.

There can be no doubt about the enormous creativity and ingenuity which has been displayed in developing new sources of information and new analytical tools. It is without precedent anywhere. We certainly have in this building the finest and most highly developed staff of political, military, and economic analysts ever assembled. Yet as I have gone up to the Hill to testify before Committees of the Congress on intelligence, on Armed Services, on Appropriations, my confirmation hearings, and in worldwide intelligence assessments in the last two weeks, I've heard specific criticisms which we cannot and should not shrug off. The most frequent criticism is that our interpretations and assessments have shown a tendency to be overly optimistic, to place a benign interpretation on information which could be interpreted as indicating danger. When you are specifically

- 7 -

charged, as we are, with warning of danger in time for the U.S. to react, it's rather a good idea to incline in the opposite direction. One of my aims will be to inject into the intelligence process a greater degree of skepticism, greater care in weighing evidence to bring out the range of probabilities that a policymaker needs. It's our obligation to present conclusions which emphasize hard reality undistorted by preconceptions or by wishful thinking.

So I ask you, in whatever work you do, to question your assumptions and conclusions, to call them as you see them whether you are weighing evidence for an intelligence assessment or trying to improve some procedure, no matter what range of work is involved. In return I promise that I will make your work and judgment meaningful by seeing that the President and his advisors get and pay attention to the full range of varying estimates and opinions which result from the collective work in this building and throughout the community. I ask you in addition to call it as you see it, neither to trim your sails to any political, budgetary, or bureaucratic interest, nor to permit any philosophical or personal bias to shade or modify the facts. I promise you I'll preserve our independence of judgment and get our conclusions to the President and his advisors free of any political or personal considerations or philosophical bias.

Most of what I've said to you is quite general. I imagine that some of it has already been implemented as part of your daily work. I suppose that you would now like to hear more about my plans for the future. Well, it is too early to tell you much about that. I am too cautious.

I will say that I came here without any preconceptions. I have some ideas derived from my experiences as a consumer of intelligence -- as a member of the General Advisory Committee on Arms Control (known as the SALT I negotiations), as Undersecretary of State, as a member of the Murphy Commission and when I was on the President's Foreign Intelligence Advisory Board. I concluded a few things during those times, but that doesn't mean that I won't change my mind. I found in SALT I, for example, that some of the judgments were soft. They leaned toward a kind of benign interpretation rather than a harder interpretation of assessing or viewing a situation as being more dangerous. With the Murphy Commission I came down against breaking up the Agency into a lot of components, as some of the bills on the Hill now propose, and I don't expect to change my mind about that. At the PFIAB I supported a competitive assessment process, but I am open as to how that can best be done. Like everybody else I am in favor of improving our analytical capabilities -- that is something easy to be for.

In my meetings and discussions here I have been greatly impressed with the calibre of the people, with the professionalism, and with the dedication and loyalty of all those I have met. I intend to proceed carefully to do whatever needs to be done to get the benefit of all the experience and judgment that has been developed here at the senior levels and elsewhere. My general approach is that I will be careful to preserve what we have and to upgrade wherever we can. I know that all of you will join me in that undertaking.

- 9 -

President Reagan has already requested that the entire community make recommendations on how to improve our capability to deal with terrorism, acquire intelligence, and deal with espionage by reducing overregulation and by trimming restrictions which are not essential to protecting individual constitutional rights. That process is already underway. Those congressional committees I have spoken to have shown a universal disposition to support the Identities Act and to find a way to ease the burdens of the Freedom of Information Act. They generally support and want to work with the community to improve intelligence collection and assessment. They want to stress the concept of oversight without the preoccupation of looking for real or fancied abuses or illegalities that allegedly existed in the past. I think the public and the Congress are basically very supportive of us. I am certain the Administration is.

I welcome this opportunity to talk with you at this preliminary stage. As we move along and as I find out more about what is needed here I look forward to talking to you again. Meanwhile, although I have noticed that this is a very big building, I will try to wander about and meet as many of you as I can in the places where you work.

Again, thank you for being here and I look forward to working with you. I thank you in advance for your support.

William J. Casey ,

ADDRESS BY NEW DCI

WILLIAM J. CASEY

3 FEBRUARY 1981

Thank you very much for your warm welcome. As I look around I told Harry that he could have charged more for those tickets.

I am very pleased indeed to be here as the Director of Central Intelligence and to have the opportunity to meet so many of you in this way.

This is my fourth day on the job but I have been in and out for a few weeks. Admiral Turner and Frank Carlucci, as well as members of the senior staff, have been very generous in helping me learn about the Agency and its work, and although I am not yet able to find my way around the building, I think I have substantially found my way around the organization chart, which is a very formidable thing as you all know.

I came here with a high respect for this Agency and for the calibre and professionalism of its staff. What I have seen in the past few days has strengthened in that view. I bring to this job a long-standing dedication to and belief in the purpose in which you and the Agency work.

My earliest public service in Washington was helping General Donovan draft papers to President Roosevelt and the Joint Chiefs, explaining why OSS needed military slots to develop paramilitary capabilities and operational groups which the

Pentagon liked to call Donovan's Private Army as they tried to take it over, and as I come here with personnel freezes I have a sense of dejouv.

When I went to London to set up a secretariat for David Bruce, then Commander of the OSS Detachment in General Eisenhower's Command, one of my duties was to serve as secretary of the Committee charged with studying the organization of the British and other Allied intelligence agencies in order to develop recommendations on how a permanent peacetime central intelligence service might be established in the United States. Something as you know we never had before. Out of that work I got a trip back home to bring this report to General Donovan and help him use it in the memorandum which he addressed to President Roosevelt and the Joint Chiefs of Staff to urge the creation of a central intelligence service. So in a sense, I was there at the beginning. Nobody saw me but I was there.

While in the European Theater I worked closely and formed life-long friendships with Bill Quinn, Allen Dulles, Dick Helms, and Bill Colby, all of who came into the role of which I have now assumed. So that means quite a lot to me, and I am particularly pleased and dedicated to be here to work with you into the future, I carry a vivid recollection of Dick Helms saying on one occasion in the late 60's, before he became DCI, that he had remained in the Agency for over twenty years and resisted offers of more money in the private sector because his work in this building reminded him daily, as he put it, of how "beleagured" our country

is in the world. That word "beleagured" made a very deep impression on me. I understand it to mean surrounded by danger. I'm always reminded the lifetime career and the dedication to country which Dick Helms conveyed on that occasion in that expression and in his thirty years to service to intelligence. I have a comparable admiration for those of you who are embarked and living an intelligence career here.

Your work is even more important today. If Dick Helms had to use that unusual word "beleagured" to describe the condition of the United States in the late 1960's, how would we describe our situation today as we face an adversary over which we no longer have military superiority, which has demonstrated a will to use military force outside of its borders, and is constantly using infinite skill and resourcefulness in providing weapons, training, organization, and leadership to proxy armies, to revolutionary groups, and to terrorists throughout Africa, Southeast Asia, and on our very doorstep in Central America. So our country depends heavily on your daily efforts if it is to adequately evaluate and develop the means to cope with these threats. So let us together summon up the will and find the resources to apply or revive the whole range of capabilities developed in this Agency over the years and where the President and Congress need them to cope with threats to our security or to protect our interests.

We face this intensified challenge after having been severely kicked around in the political process and in the organs of public opinion. We must not let that deter us from the job we have to do; I think we can put that behind us. The intelligence profession is one of the most honorable professions to which Americans can aspire; the President knows that and the American public understands that. So let us hold our heads high as we serve them, as we call on young Americans to serve their country in intelligence work, and as we ask American scholars to serve their country by sharing their insights and their scholarship with this, perhaps the largest scholarly community in the world, as we prepare the analyses to develop foreign policy and defense strategy; and this is one activity in the whole Government in which I believe that whatever any of us might do, whatever our work may be, any element of service we can perform has a direct impact on the evaluation and on our ability to address the many concerns that may threaten our security or our country or our way of life --I feel that very deeply.

Our President Reagan has promised to strengthen intelligence where it needs to be strengthened. He has talked frequently about his feeling about the CIA, his admiration and his support for it. He has given us a Deputy DCI who will come here with rich experience and universal acclaim inside and outside the intelligence community, Admiral Inman; and I think he has signaled his intention to do what he can to fully support our work by affording me Cabinet rank and by giving Admiral Inman a fourth

-5-

star making him a full Admiral as he undertakes this new responsibility. So I am confident you and I and Admiral Inman are ready to do what needs to be done.

As I stated in my confirmation hearings, this is not the time for a reorganization or a bureaucratic shakeup, but rather a time to build on what we have, to sharpen and strengthen it to meet the new challenges we face. Much will depend on how we organize for that task. I am a great believer in the delineation of responsibility and commensurate authority. I like to give people running room and judge it by one test result. I intend to give at least equal attention to my role as Director of the Central Intelligence Agency as I give to the community role as Director of Central Intelligence. One reason I am so pleased to have Admiral Inman here with me is that he is so superbly equipped, by virtue of his experience as Director of the National Security Agency and Vice Director of the Defense Intelligence Agency and Director of Naval Intelligence, to take on some of the community role that consumed so much of the time of my two or three immediate predecessors. Because I would like and intend to take a special interest in strengthening and sharpening our HUMINT capabilities, our analytical and estimating work, and in seeing that the product, the results of what we do, the results of the common labor that we put forth here daily, get in the proper form to where it is needed and is understood and is acted upon. So that is in general, in a broad general way, how I see my job and how I now plan to approach it.

-6-

We have to face the fact that we take on this challenge in a period of financial stringency. We can't hide from that. There is a personnel freeze and budgets are and will be scrutinized very, very carefully. It will take time to balance the objective of strengthening our defense and intelligence capabilities and meshing those factors, those requirements, with the financial and manpower requirements of the Administration's economic policy. The way for us to do that in my opinion is to do our share in tightening up wherever we can and, then on the basis of that performance at the appropriate time, ask for the resources needed to overcome the deficiencies, those deficiencies arising out of earlier budget actions, budget stringencies of the last few years, as well as for the resources to meet the needs of the future. There will be budgetary cutbacks and there will be budgetary increases, particularly in defense areas and other areas vital to our defense. I intend to define overall needs with care the restraint, but I will not be bashful about asking for what is needed to meet those needs; and that is what I would expect you to do also. I am specifically interested in developing resources needed to provide both the facilities and the incentives necessary to encourage the career-long building of analytical and other specialized skills. The people can dedicate their efforts and life-long efforts to building those essential talents without being pressured into doing administrative or managerial work to gain promotion.

-7-

I know that all of you are as anxious to constantly improve the Agency's capabilities and it's performance as I am. All of us have heard a variety of opinions about the quality of intelligence performance over recent years. I do know that, and you can take your pick of those opinions, I do know that over it's history, this Agency has developed the finest intelligence capability in the world.

There can be no doubt about the enormous creativity and ingenuity which has been displayed in developing new sources of information and new analytical tools is without precedent anywhere; and we certainly have in this building the finest and most highly developed staff of political, military, and economic analysts ever assembled. Yet as I have gone up to the Hill to testify before Committees of the Congress on Intelligence, on Armed Services on Appropriations, my confirmation hearings, and in worldwide intelligence assessments on three occasions in the last two weeks, I've heard specific criticisms which we cannot and should not shrug off. The most frequent criticism is that our interpretations, our assessments, have shown a tendency to be overoptimistic, to place a benign interpretation on information which could be interpreted as indicating danger. When you are specifically charged with warning of danger in time for us to react, as we are, it's rather a good idea to incline in the opposite direction. One of my aims will be to inject into the intelligence process a

-8-

greater degree of skepticism, greater care in weighing evidence to bring out the range of probabilities rather than any one conclusion. A range of probabilities for which a policymaker needs to prepare and provide. It's our obligation to present conclusions which emphasize hard reality undistorted by preconceptions or by wishful thinking.

So I ask you, in whatever work you do, to question your assumptions and conclusions, to call them as you see them whether you are weighing evidence for an intelligence assessment or trying to improve some procedure, no matter what range of work is involved. In return I promise that I will make your work and judgment meaningful by seeing that the President and his Advisors get and pay attention to the full range of varying estimates and opinions which result from the collective work in this building and throughout the community. I ask you in addition to calling it as you see it, not to trim your sails to any political, budgetary, or bureaucratic interest, nor to permit any philosophical or personal bias to shade or modify the facts. I promise you I'll preserve our independence of judgment and get our conclusions to the President and his Advisors free of any political or personal considerations or philosophical bias.

Now I'd suppose some of what I've said to you is quite general, I imagine that some of it has already, in many ways, been implemented as part of your processing practice; and

- 9 -

you would like to hear more about my plans for the future. Well, it is too early to tell you much about that, and I am too cautious.

I will say that I came here without any preconceptions. I have some ideas derived from my experiences as a consumer of intelligence, a member of the General Advisory Committee on Arms Control known as SALT I negotiations, and as Undersecretary of State later on, and for my work on the Murphy Commission, and the President of Foreign Intelligence Advisory Board, and I came down in those capacities specifically on a few things at that time which doesn't mean that I won't change my mind. I did find in the SALT I I thought that some of the judgments were soft. As I indicated before, leaning towards a kind of benign interpretation rather than a harder interpretation of assessing or viewing a situation more dangerous. With the Murphy Commission I came down against breaking up the Agency into a lot of components as some of the bills on the Hill now propose and I don't expect to change my mind about that. I supported a competitive assessment process for PFIAB; but I am open as to how that ought to be done and how it can best be done, and like everybody I am always in favor and that is an easy thing to be for, improving the analytical process capabilities.

I'd like to say that in my meetings and discussions here I am greatly impressed with the calibre of the people, with their professionalism, their dedication and loyalty of all those I have meet; and I intend to proceed to do whatever needs to be done carefully to get the benefit of all the experience and judgment that has been developed here at the senior levels and elsewhere. My general approach is going to be to be careful to preserve what we have and to upgrade wherever we can. I think that is something you will all join me in undertaking to do.

President Reagan has already requested that we make recommendations in the entire community, FBI and everybody else, Justice Department, make recommendations on how we can improve our capability to deal with terrorism, acquire intelligence, access it, deal with espionage by reducing overregulation by trimming restrictions which are not essential to protecting individual contributonal rights. That process is already underway. The Congress, Committees of the Congress, those Congressmen I have spoken to have shown a universal disposition to support the Identities Act and to find a way to ease the burdens of the Freedom of Information Act, and generally to support and work with the community to improve intelligence collection and assessment and to stress the aspect of oversight capability and not have the preoccupation that featured Congressional action two years ago looking for real or fancied abuses or illegalities.

-11-

So I think we have both the public atmosphere and even the media I think is prepared to -- well I'll go careful on that one --. I think that the public opinion, I think the Congressional opinion, I am certain the Inspector of the Administration is basically very supportive.

When I've had a chance, I welcome this opportunity to talk with you at this preliminary stage. I would like to, as we move along and I find out more about what is needed here, I would look forward to talking this way again, at higher prices. Meanwhile, although I have noticed that this is a very big building, I will try to wander about and meet some portion of you -- again I will be cautious on that -- as many of you as I can but in the places where you work.

Again, thank you for being here and I look forward to working with you and will thank you in advance for your support.